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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

MAY 06 1992

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED DECEMBER 31, 1991

COMMISSION FILE NUMBER 0-3132

PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)
Exact name of Registrant as specified in its charter

CALIFORNIA	94-1612110
(State or other jurisdiction of incorporation or organization)	(Internal Revenue Service Employer Identification Number)

POST OFFICE BOX 5615
FRESNO, CALIFORNIA 93755-5615
Address of principal executive offices

(209) 434-2800
Registrant's telephone number

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No____

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

COMMON STOCK, $.10 PAR VALUE	5,789,920
	Number of shares of common stock outstanding December 31, 1991

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PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)

PART I: Financial Information

ITEM 1 - Financial statements

ITEM 2 - Management's discussion and analysis of financial condition and results of operations

PART II: Other Information

ITEM 1 - Submission of matters to a vote of security holders

PART I

ITEM 1 - Financial statements

PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)

BALANCE SHEET

(UNAUDITED)

	December 31, 1991	1990
ASSETS		
CURRENT ASSETS:		
Certificate of Deposit	$ 70,000	$ 70,000
Inventory	5,250	8,568
Prepaid expenses	0	23,564
Notes receivable	254,000	315,500
Notes receivable - Common Stock Subscribed	200,000	0
Deposit	25,000	0
TOTAL CURRENT ASSETS	554,250	417,632
PROPERTY AND EQUIPMENT - AT COST:		
Land - improved	278,700	278,700
Building	601,326	638,504
Improvements	54,757	29,882
Property and equipment (successful efforts methods of accounting)	158,038	140,027
	1,092,821	1,087,113
Less: Accumulated depreciation	(79,365)	(84,751)
TOTAL PROPERTY AND EQUIPMENT	1,013,456	1,002,862
INVESTMENT - AT COST	731,565	52,639
	$2,299,271	$1,473,133

See Notes to Financial Statements

PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)

BALANCE SHEET

(UNAUDITED)

(CONTINUED)

	December 31, 1991	1990
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 229,339	$ 99,029
Royalties Payable	16,993	0
Income Taxes Payable	8,111	0
Notes payable	69,500	245,000
Current portion of long-term debt	54,333	136,511
Lease deposits	2,838	2,838
TOTAL CURRENT LIABILITIES	381,114	483,378
LOANS FROM STOCKHOLDERS	67,494	51,724
LONG-TERM DEBT, NET OF CURRENT PORTION	750,088	446,838
TOTAL LIABILITIES	1,198,696	981,940
STOCKHOLDERS' EQUITY:		
Common stock, $.10 par value; authorized 100,000,000 shares; issued and outstanding: 5,789,920 shares December 31, 1991; 2,000,000 shares pending transer from transfer agent; 6,909,922 December 31, 1990	778,992	690,992
Common stock subscribed	200,000	0
Additional paid-in capital	2,134,078	1,452,926
Accumulated deficit	(2,012,495)	(1,652,725)
TOTAL STOCKHOLDERS' EQUITY	1,100,575	491,193
	$2,299,271	$1,473,133

See Notes to Financial Statements

PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)

STATEMENT OF REVENUE AND EXPENSES AND ACCUMULATED DEFICIT

(UNAUDITED)

	Three Months Ended December 31,		Six Months Ended December 31,	
	1991	1990	1991	1990
REVENUE:				
Sales of crude oil and gas	$ 0	$ 23,372	$ 11,908	$ 45,571
Royalty income	0	9,974	548	13,659
Oil lease income	9,166	12,000	11,224	12,000
Rent - building	2,314	8,580	4,612	16,059
Gain on sale of property	0	729	0	729
	11,480	54,655	28,292	88,018
COSTS AND EXPENSES:				
Cost of operations	3,570	16,376	6,784	20,908
Depreciation and depletion	9,154	10,070	18,308	20,140
Shared overhead charge	0	0	0	14,000
General and administrative expenses	31,539	130,855	80,458	173,762
Building expense	20,000	32,006	31,150	48,414
	64,263	189,307	136,700	277,224
Net loss	(52,783)	(134,652)	(108,408)	(189,206)
Accumulated deficit, beginning of period	(1,959,712)	(1,518,073)	(1,904,087)	(1,462,519)
Accumulated deficit, end of second quarter	$(2,012,495)	$(1,652,725)	$(2,012,495)	$(1,652,725)
PER SHARE DATA				
Net loss per share	$ (.01)	$ (.02)	$ (.01)	$ (.03)

See Notes to Financial Statements

PAN AMERICAN ENERGY CORPORATION
(FORMERLY SUPREME OIL AND GAS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED DECEMBER 31, 1991

(UNAUDITED)

NOTE A - GENERAL

The unaudited financial statements of Pan American Energy Corporation for the quarter ended December 31, 1991 reflect all adjustments, which are of a normal recurring nature, which are, in the opinion of management, necessary for a fair statement of the results of operations for the period then ended.

NOTE B - NET ASSET ACQUISITION

The Corporation acquired, effective June 29, 1990, specified assets and liabilities of Supreme Investors, Inc. Supreme Investors, Inc. is an affiliate corporation with interrelated directors. The total cost of the acquisition was $400,000 which exceeded the net assets of Supreme Investors, Inc. by $45,700. The excess was allocated to building and land-improved, based on appraisal values and will be depreciated over the estimated remaining useful lives of the assets.

The purchased price for the specified assets and liabilities was four million (4,000,000) shares of Supreme Oil and Gas Corporation (name changed to Pan American Energy Corporation) common stock, valued for the transaction at $.10 per share. The purchase price involved two million (2,000,000) shares of Supreme Oil and Gas Corporation stock issued to Supreme Investors, Inc. upon close of escrow (September 13, 1990), and a $200,000 promissory note, due on or before August 31, 1991, convertible to two million (2,000,000) shares by the holder of the note. The effective date of the stock and promissory note was also June 29, 1990. The specified assets and related liabilities purchased included commercial building with land, vacant land, half interest in an oil well, securities in other corporations and notes receivables.

During the quarter ending December 31, 1991 the Corporation completed the acquisition of 463,397 shares of Tri Valley Corporation, an oil and gas and minerals corporation, located in Bakersfield, CA, and 61,650 shares of SOLV-EX Corporation common stock, an oil and gas corporation with mineral assets in Canada. The Corporation plans to continue its diversification of assets by acquiring security positions in other public companies.

PAN AMERICAN ENERGY CORPORATION
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PART I

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Liquidity and Capital Resources:

The Corporation experienced lower oil revenues during the quarter ending December 31, 1991, due to lower world oil prices. The Kliewer oil well 82-29 acquired in June 1990 was put into service on September 21, 1990. The production operations of Kliewer 82-29 oil well have been idle since March, 1991 pending expansion of the pooled acreage and the completion of a well for disposal of producted water.

The Corporation had decreased expenses during this quarter because the Corporation closed its office in San Jose, California in June, 1991. This included the termination of one employee and reduced expenses such as rent, utilities and general office expense. The Corporation also closed its office in Fresno, California in July, 1991 and moved into the residence of the Corporation's President. The closing of the office included the termination of a manager and six employees plus the reduction of expenses such as rent, utilities and general office expenses. Additionally, legal and accounting costs were reduced due to the Corporation not preparing securities offerings to raise funds or lack of special projects.

Management plans on expending funds for the reduction of corporate debt, the purchase of oil properties and capital improvements in areas such as the development of a water disposal well for the Kliewer oil well. Capital will be obtained from notes receivable, short-term borrowing and the anticipated sale of corporate securities through Section 3a-11 of the Securities Act of 1933.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Results of Operations:

The Corporation purchased an office building in Bakersfield, California in June, 1990. The building occupancy for this quarter ending December 31, 1991 was approximately 30%. The rental income decreased from the same quarter last year due to the agreements with individuals to exchange services for rent. The Corporation is continuing its discussions with its lenders to restructure the debt on the buildings. The Corporations main lender, Santa Paula Savings and Loan Association, has been taken over by the Resolution Trust Corporation (RTC). It is unknown how this will effect negotiations to restructure the debt on the office buildings.

The gross revenue has decreased substantially compared to the same quarter last year due to the decrease in oil prices, the rental exchange agreements described above and the idleness of the Kliewer 82-29 oil well as illustrated below:

	Quarter Ended December 31,	
	1991	1990
Sales of crude oil	$ 0	$ 23,372
Royalty income	0	9,974
Oil lease income	9,166	12,000
Rental income	2,314	8,580
Other income	0	729
Total revenue	$ 11,480	$ 54,655

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Results of Operations (Continued):

The following table sets forth pertinent information relating to the Corporation:

	Revenue and Operation Expense Quarter Ended December 31,	
	1991	1990
Revenue	$ 11,480	$ 54,655
Less:		
Costs of operations	3,570	16,376
General and administrative expenses	31,539	130,855
Depreciation/depletion	9,154	10,070
Building expense	20,000	32,006
Income/loss	$ (52,783)	$ (134,652)

The decreased costs of operations such as rework costs, vacuum truck fees and pumper fees are due mainly to the cessation of production operations of the Kliewer 82-29 oil well.

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PART II

ITEM 1 - Submission of matters to a vote of security holders

No matters were submitted to a vote of the security holders during the quarter ending December 31, 1991.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: 4/26/94

/s/ Wayne E. Crumpley, Jr., CFO, CPA

Wayne E. Crumpley
Chief Financial Officer

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